

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6583

Chapter 317, Laws of 2008

60th Legislature
2008 Regular Session

MEDICAL ASSISTANCE--ELIGIBILITY

EFFECTIVE DATE: 07/01/09

Passed by the Senate March 11, 2008
YEAS 45 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 6, 2008
YEAS 92 NAYS 1

FRANK CHOPP

Speaker of the House of Representatives

Approved April 1, 2008, 4:05 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6583** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 2, 2008

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6583

AS AMENDED BY THE HOUSE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senate Ways & Means (originally sponsored by Senators Brandland and Hargrove)

READ FIRST TIME 02/12/08.

1 AN ACT Relating to eligibility for medical assistance; amending RCW
2 74.09.510, 74.09.530, and 48.41.100; creating a new section; and
3 providing a contingent effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 74.09.510 and 2007 c 315 s 1 are each amended to read
6 as follows:

7 (1) Medical assistance may be provided in accordance with
8 eligibility requirements established by the department, as defined in
9 the social security Title XIX state plan for mandatory categorically
10 needy persons and:

11 ~~((1))~~ (a) Individuals who would be eligible for cash assistance
12 except for their institutional status;

13 ~~((2))~~ (b) Individuals who are under twenty-one years of age, who
14 would be eligible for medicaid, but do not qualify as dependent
15 children and who are in ~~((a))~~ (i) foster care, ~~((b))~~ (ii)
16 subsidized adoption, ~~((c))~~ (iii) a nursing facility or an
17 intermediate care facility for persons who are mentally retarded, or
18 ~~((d))~~ (iv) inpatient psychiatric facilities;

19 ~~((3))~~ (c) Individuals who:

1 ~~((a))~~ (i) Are under twenty-one years of age;

2 ~~((b))~~ (ii) On or after July 22, 2007, were in foster care under

3 the legal responsibility of the department or a federally recognized

4 tribe located within the state; and

5 ~~((c))~~ (iii) On their eighteenth birthday, were in foster care

6 under the legal responsibility of the department or a federally

7 recognized tribe located within the state;

8 ~~((4))~~ (d) Persons who are aged, blind, or disabled who: ~~((a))~~

9 (i) Receive only a state supplement, or ~~((b))~~ (ii) would not be

10 eligible for cash assistance if they were not institutionalized;

11 ~~((5))~~ (e) Categorically eligible individuals who meet the income

12 and resource requirements of the cash assistance programs;

13 ~~((6))~~ (f) Individuals who are enrolled in managed health care

14 systems, who have otherwise lost eligibility for medical assistance,

15 but who have not completed a current six-month enrollment in a managed

16 health care system, and who are eligible for federal financial

17 participation under Title XIX of the social security act;

18 ~~((7))~~ (g) Children and pregnant women allowed by federal statute

19 for whom funding is appropriated;

20 ~~((8))~~ (h) Working individuals with disabilities authorized under

21 section 1902(a)(10)(A)(ii) of the social security act for whom funding

22 is appropriated;

23 ~~((9))~~ (i) Other individuals eligible for medical services under

24 RCW 74.09.035 and 74.09.700 for whom federal financial participation is

25 available under Title XIX of the social security act;

26 ~~((10))~~ (j) Persons allowed by section 1931 of the social security

27 act for whom funding is appropriated; and

28 ~~((11))~~ (k) Women who: ~~((a))~~ (i) Are under sixty-five years of

29 age; ~~((b))~~ (ii) have been screened for breast and cervical cancer

30 under the national breast and cervical cancer early detection program

31 administered by the department of health or tribal entity and have been

32 identified as needing treatment for breast or cervical cancer; and

33 ~~((c))~~ (iii) are not otherwise covered by health insurance. Medical

34 assistance provided under this subsection (1)(k) is limited to the

35 period during which the woman requires treatment for breast or cervical

36 cancer, and is subject to any conditions or limitations specified in

37 the omnibus appropriations act.

1 (2) To the extent permitted under federal law, the department shall
2 set the categorically needy income level for adults who are sixty-five
3 years of age or older, blind, or disabled, at eighty percent of the
4 federal poverty level as adjusted annually beginning July 1, 2009. As
5 used in this section, "federal poverty level" refers to the poverty
6 guidelines updated periodically in the federal register by the United
7 States department of health and human services under the authority of
8 42 U.S.C. Sec. 9902(2).

9 **Sec. 2.** RCW 74.09.530 and 2007 c 315 s 2 are each amended to read
10 as follows:

11 (1) The amount and nature of medical assistance and the
12 determination of eligibility of recipients for medical assistance shall
13 be the responsibility of the department of social and health services.
14 The department shall establish reasonable standards of assistance and
15 resource and income exemptions which shall be consistent with the
16 provisions of the Social Security Act and with the regulations of the
17 secretary of health, education and welfare for determining eligibility
18 of individuals for medical assistance and the extent of such assistance
19 to the extent that funds are available from the state and federal
20 government. The department shall not consider resources in determining
21 continuing eligibility for recipients eligible under section 1931 of
22 the social security act.

23 (2) Individuals eligible for medical assistance under RCW
24 74.09.510(~~(+3)~~) (1)(c) shall be transitioned into coverage under that
25 subsection immediately upon their termination from coverage under RCW
26 74.09.510(~~(+2)(a)~~) (1)(b)(i). The department shall use income
27 eligibility standards and eligibility determinations applicable to
28 children placed in foster care. The department, in consultation with
29 the health care authority, shall provide information regarding basic
30 health plan enrollment and shall offer assistance with the application
31 and enrollment process to individuals covered under RCW
32 74.09.510(~~(+3)~~) (1)(c) who are approaching their twenty-first
33 birthday.

34 NEW SECTION. **Sec. 3.** The department of social and health services
35 shall prepare a fiscal analysis of the increases in the medicaid
36 categorically needy income level to eighty percent of the federal

1 poverty level as described in RCW 74.09.510. In developing the fiscal
2 analysis, the department shall present both costs and cost offsets
3 related to continuous access to health services including: Per capita
4 cost reductions that resulted from current medically needy clients
5 having access to continuous coverage through the categorically needy
6 program; any reductions in the number of clients receiving long-term
7 care services; the impact on department staffing needs, including
8 savings associated with reduced medically needy caseloads; shifts in
9 enrollment from the Washington basic health plan to medicaid coverage;
10 and the impact on regional support networks, including additional
11 medicaid revenues, reduced demand for nonmedicaid funded services, and
12 changes in utilization of emergency room and hospital services. The
13 department shall submit the analysis to the governor and the health
14 policy and fiscal committees of the legislature by November 1, 2010.

15 **Sec. 4.** RCW 48.41.100 and 2007 c 259 s 30 are each amended to read
16 as follows:

17 (1) The following persons who are residents of this state are
18 eligible for pool coverage:

19 (a) Any person who provides evidence of a carrier's decision not to
20 accept him or her for enrollment in an individual health benefit plan
21 as defined in RCW 48.43.005 based upon, and within ninety days of the
22 receipt of, the results of the standard health questionnaire designated
23 by the board and administered by health carriers under RCW 48.43.018;

24 (b) Any person who continues to be eligible for pool coverage based
25 upon the results of the standard health questionnaire designated by the
26 board and administered by the pool administrator pursuant to subsection
27 (3) of this section;

28 (c) Any person who resides in a county of the state where no
29 carrier or insurer eligible under chapter 48.15 RCW offers to the
30 public an individual health benefit plan other than a catastrophic
31 health plan as defined in RCW 48.43.005 at the time of application to
32 the pool, and who makes direct application to the pool; and

33 (d) Any medicare eligible person upon providing evidence of
34 rejection for medical reasons, a requirement of restrictive riders, an
35 up-rated premium, or a preexisting conditions limitation on a medicare
36 supplemental insurance policy under chapter 48.66 RCW, the effect of

1 which is to substantially reduce coverage from that received by a
2 person considered a standard risk by at least one member within six
3 months of the date of application.

4 (2) The following persons are not eligible for coverage by the
5 pool:

6 (a) Any person having terminated coverage in the pool unless (i)
7 twelve months have lapsed since termination, or (ii) that person can
8 show continuous other coverage which has been involuntarily terminated
9 for any reason other than nonpayment of premiums. However, these
10 exclusions do not apply to eligible individuals as defined in section
11 2741(b) of the federal health insurance portability and accountability
12 act of 1996 (42 U.S.C. Sec. 300gg-41(b));

13 (b) Any person on whose behalf the pool has paid out two million
14 dollars in benefits;

15 (c) Inmates of public institutions, and those persons ((whose
16 ~~benefits are duplicated under public programs)) who become eligible for~~
17 medical assistance after June 30, 2008, as defined in RCW 74.09.010.
18 However, these exclusions do not apply to eligible individuals as
19 defined in section 2741(b) of the federal health insurance portability
20 and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

21 (d) Any person who resides in a county of the state where any
22 carrier or insurer regulated under chapter 48.15 RCW offers to the
23 public an individual health benefit plan other than a catastrophic
24 health plan as defined in RCW 48.43.005 at the time of application to
25 the pool and who does not qualify for pool coverage based upon the
26 results of the standard health questionnaire, or pursuant to subsection
27 (1)(d) of this section.

28 (3) When a carrier or insurer regulated under chapter 48.15 RCW
29 begins to offer an individual health benefit plan in a county where no
30 carrier had been offering an individual health benefit plan:

31 (a) If the health benefit plan offered is other than a catastrophic
32 health plan as defined in RCW 48.43.005, any person enrolled in a pool
33 plan pursuant to subsection (1)(c) of this section in that county shall
34 no longer be eligible for coverage under that plan pursuant to
35 subsection (1)(c) of this section, but may continue to be eligible for
36 pool coverage based upon the results of the standard health
37 questionnaire designated by the board and administered by the pool
38 administrator. The pool administrator shall offer to administer the

1 questionnaire to each person no longer eligible for coverage under
2 subsection (1)(c) of this section within thirty days of determining
3 that he or she is no longer eligible;

4 (b) Losing eligibility for pool coverage under this subsection (3)
5 does not affect a person's eligibility for pool coverage under
6 subsection (1)(a), (b), or (d) of this section; and

7 (c) The pool administrator shall provide written notice to any
8 person who is no longer eligible for coverage under a pool plan under
9 this subsection (3) within thirty days of the administrator's
10 determination that the person is no longer eligible. The notice shall:

- 11 (i) Indicate that coverage under the plan will cease ninety days from
- 12 the date that the notice is dated; (ii) describe any other coverage
- 13 options, either in or outside of the pool, available to the person;
- 14 (iii) describe the procedures for the administration of the standard
- 15 health questionnaire to determine the person's continued eligibility
- 16 for coverage under subsection (1)(b) of this section; and (iv) describe
- 17 the enrollment process for the available options outside of the pool.

18 (4) The board shall ensure that an independent analysis of the
19 eligibility standards for the pool coverage is conducted, including
20 examining the eight percent eligibility threshold, eligibility for
21 medicaid enrollees and other publicly sponsored enrollees, and the
22 impacts on the pool and the state budget. The board shall report the
23 findings to the legislature by December 1, 2007.

24 NEW SECTION. **Sec. 5.** This act takes effect July 1, 2009, if
25 specific funding for purposes of this act, referencing this act by bill
26 or chapter number, is provided by June 30, 2009, in the omnibus
27 operating appropriations act. If funding is not so provided, this act
28 is null and void.

Passed by the Senate March 11, 2008.
Passed by the House March 6, 2008.
Approved by the Governor April 1, 2008.
Filed in Office of Secretary of State April 2, 2008.